

Before the State of South Carolina  
Department of Insurance

IN THE MATTER OF:

The merger of The Continental Insurance Company of Texas, a Texas domestic insurance company, into Commercial Insurance Company of Newark, New Jersey, a South Carolina domestic company effective 12:00 a.m. on January 1, 2006

**ORDER APPROVING  
MERGER**

This Plan and Agreement of Merger comes before me pursuant to a request of Commercial Insurance Company of Newark, New Jersey, a South Carolina domestic company effective 12:00 a.m. on January 1, 2006. From the request, I find and conclude as follows:

1. Commercial Insurance Company of Newark, New Jersey was licensed in the State of South Carolina on December 1, 1926.
2. The Continental Insurance Company of Texas is not licensed in the State of South Carolina.
3. Effective 12:00 a.m. on January 1, 2006, Commercial Insurance Company of Newark, New Jersey will redomesticate to the State of South Carolina.
4. The Continental Insurance Company of Texas will be a wholly-owned subsidiary of Commercial Insurance Company of Newark, New Jersey effective 12:01 a.m. on January 1, 2006.
5. Documentation has been presented to this Department evidencing the fact that the Plan and Agreement of Merger has been approved by the Board of Directors of each company.

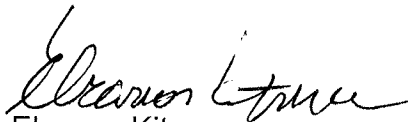
6. As a result of the merger, all of the issued and outstanding shares of stock of The Continental Insurance Company of Texas shall be canceled.
7. Commercial Insurance Company of Newark, New Jersey shall be the surviving corporation of the merger transaction.
8. The Texas Department of Insurance has no objections to the merger transaction.
9. The effective date of the merger will be 12:02 a.m. on January 1, 2006.
10. As a result of the merger, Commercial Insurance Company of Newark, New Jersey will take title to all property owned by The Continental Insurance Company of Texas and will assume and carry out all the liability and responsibility under insurance or reinsurance agreements now entered into by The Continental Insurance of Texas and any other obligations outstanding against such company at the time of merger on the same terms and under the same conditions as provided in such policies, contracts, and insurance or reinsurance agreements.
11. No evidence has been presented that the Plan and Agreement of Merger between The Continental Insurance Company of Texas and Commercial Insurance Company of Newark, New Jersey is contrary to law, is not in the best interest of the policyholders affected by the merger, or would substantially reduce the security of and service to be rendered to policyholders of The Continental Insurance Company of Texas in Texas or elsewhere.
12. No evidence has been presented that the effect of such acquisition of control as a result of the merger would be substantially to lessen competition in insurance in this state or tend to create a monopoly therein.

13. No evidence was presented that the financial condition of Commercial Insurance Company of Newark, New Jersey is such as might jeopardize the financial stability or prejudice the interests of its policyholders.

14. No evidence was presented that the competence, integrity, trustworthiness, and experience of those persons who would control the operations of Commercial Insurance Company of Newark, New Jersey are such that it would not be in the interests of the policyholders of The Continental Insurance Company of Texas and Commercial Insurance Company of Newark, New Jersey.

Accordingly, it is ordered that:

Based upon these findings and conclusions, the proposed merger of The Continental Insurance Company of Texas with and into Commercial Insurance Company of Newark, New Jersey, with Commercial Insurance Company of Newark, New Jersey being the survivor, all as specified in the Plan and Agreement of Merger, hereby is APPROVED effective 12:02 a.m. on January 1, 2006.

  
Eleanor Kitzman  
Director

December 15, 2005  
Columbia, South Carolina